

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building Public Works		(2) MEETING DATE June 13, 2006		(3) CONTACT/PHONE Dana Lilley, Supervising Planner (805) 781-5715	
(4) SUBJECT Submittal of the Draft Analysis of Public Financing Alternatives for San Luis Obispo County Willow Road Extension Project <i>(Clerks File)</i>					
(5) SUMMARY OF REQUEST The Draft Analysis of Public Financing Alternatives for San Luis Obispo County Willow Road Extension Project is attached to this report in an effort to keep your Board aware of progress toward completing this pilot project as directed by the Board of Supervisors on April 4, 2006. The plan details the recommendations of the consulting firm David Taussig and Associates (DTA) regarding the best strategy and mix of financing techniques for the Willow Road Project. A final plan will now be prepared by DTA and submitted to your Board on July 25, 2006.					
(6) RECOMMENDED ACTION That your Board receive and file the Draft Analysis of Public Financing Alternatives for San Luis Obispo County Willow Road Extension Project					
(7) FUNDING SOURCE(S) Planning and Building – FC 142		(8) CURRENT YEAR COST \$53,500		(9) ANNUAL COST  	
(10) BUDGETED? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A					
(11) OTHER AGENCY/ADVISORY GROUP INVOLVEMENT (LIST):  					
(12) WILL REQUEST REQUIRE ADDITIONAL STAFF? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, How Many? _____ <input type="checkbox"/> Permanent _____ <input type="checkbox"/> Limited Term _____ <input type="checkbox"/> Contract _____ <input type="checkbox"/> Temporary Help _____					
(13) SUPERVISOR DISTRICT(S) <input type="checkbox"/> 1st, <input type="checkbox"/> 2nd, <input type="checkbox"/> 3rd, <input type="checkbox"/> 4th, <input type="checkbox"/> 5th, <input checked="" type="checkbox"/> All		(14) LOCATION MAP <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A		(15) Maddy Act Appointments Signed-off by Clerk of the Board  	
(16) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Presentation <input checked="" type="checkbox"/> Board Business (Time Est. <u>20 min</u> )		(17) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions (Orig + 4 copies) <input type="checkbox"/> Contracts (Orig + 4 copies) <input type="checkbox"/> Ordinances (Orig + 4 copies) <input checked="" type="checkbox"/> N/A			
(18) NEED EXTRA EXECUTED COPIES? <input type="checkbox"/> Number: _____ <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A		(19) APPROPRIATION TRANSFER REQUIRED? <input type="checkbox"/> Submitted <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A			
(20) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)  		(21) W-9 <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes		(22) Agenda Item History <input type="checkbox"/> N/A    Dates <u>November 8, 2005</u> <u>(D-2), April 4, 2006 (B-11)</u>	
(23) ADMINISTRATIVE OFFICE REVIEW <div style="text-align: right; padding-right: 50px;"> <i>OK Leslie B...</i>  <div style="font-size: 2em; transform: rotate(-15deg); display: inline-block;">             F-1 6-13-06           </div> </div>					



# SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING

VICTOR HOLANDA, AICP  
DIRECTOR

**TO:** BOARD OF SUPERVISORS

**FROM:** VIC HOLANDA, AICP, DIRECTOR OF PLANNING AND BUILDING  
NOEL KING, DIRECTOR OF PUBLIC WORKS

**DATE:** JUNE 13, 2006

**SUBJECT:** SUBMITTAL OF THE DRAFT ANALYSIS OF PUBLIC FINANCING  
ALTERNATIVES FOR SAN LUIS OBISPO COUNTY WILLOW ROAD  
EXTENSION PROJECT

## Recommendation

That your Board receive and file the Draft Analysis of Public Financing Alternatives for San Luis Obispo County Willow Road Extension Project.

## Discussion

### Background

During strategic planning discussions conducted in 2005, the Board of Supervisors identified financing of infrastructure projects throughout the county as an important strategic issue. The Board requested that staff evaluate alternative financing options in order to enable the Willow Road extension and the Highway 101 interchange project construction to commence before sufficient Road Impact Fees were collected to pay for the entire project.

The Planning and Building Department, the Public Works Department, County Counsel and the Administrative Office collaborated to prepare a report on financing options which was presented to the Board of Supervisors on November 8, 2005. The Board selected the Willow Road project as a pilot project to test the implementation of one or more of these financing options and directed staff to prepare a cost proposal and recommendation to contract for specialized assistance in preparing infrastructure plans. On April 4, 2006, the Board approved an agreement with David Taussig and Associates, Inc., (DTA) for the pilot project (Willow Road).

The Draft Analysis of Public Financing Alternatives for San Luis Obispo County Willow Road Extension Project (the "draft plan") suggests that three financing sources be combined. These include State Transportation Improvement Program (STIP) funds, impact fees being paid by the Woodlands development, and Mello-Roos Community Facilities District bond financing.

The draft plan (a copy of which is on file with the County Clerk) was received by the County on Monday, June 5, 2006. The Public Works and Planning and Building Departments have reviewed the draft plan and will provide comments to DTA, after which DTA will prepare the final Willow Road Project Implementation Plan. The final plan will be presented to the Board of Supervisors on July 25, 2006, including recommendations for the next steps for the Willow Road Project and for discussion of similar efforts on other projects.

The process by which the County is preparing final Analysis of Public Financing Alternatives for San Luis Obispo County Willow Road Extension Project provides a model for financing and constructing other projects. The County identified all possible financing techniques to finance a project, prepared alternative strategies for financing the project, and then it will identify the preferred strategy. Ideally, future infrastructure financing plans will address multiple public improvements needed in a given community. However, there are still a number of other projects that need to be addressed.

**Other Agency Involvement:**

The Public Works and Planning and Building Departments jointly prepared this report.

**Financial Considerations:**

The cost of the contract with DTA to produce the Analysis of Public Financing Alternatives for San Luis Obispo County Willow Road Extension Project totals \$53,500. Costs associated with implementation of the financing alternatives are unknown at this time.

The draft plan describes how the Willow Road Project can be financed without the need to increase financial risk to the County General Fund.

**Results:**

The goal of the draft plan is to enable completion of the Willow Road Project sooner than would otherwise be possible.

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